

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 195 – SB 417

March 9, 2015

SUMMARY OF ORIGINAL BILL: : Defines “genuine signature” for the purpose of filing a petition pursuant to the Utility District Law of 1937. Eliminates criminal penalty for a utility’s failure to forward financial audit to the Comptroller of the Treasury. Defines a customer as someone who receives water or sewer service from a utility. Makes the Comptroller, or his designee, chair of the utility management review board. Requires that bonds for utilities which operate a gas distribution system only be issued to utilities which have a positive net position on the most recent audited financial statement and have had a positive change in net position in one out of the last three years. Authorizes utility management review board to conduct informal hearings on any policy of any utility district, in which it may consider evidence relating to customer or developer complaints as well as the reasonableness of the utility district’s policy in question. Requires that complaints to the utility management review board, concerning the reasonableness or justness of the utility district’s requirement that the customer or the developer build utility systems dedicated to the utility district or the justness and reasonableness of fees or charges against the customer or the developer related to the utility systems, be filed in writing within 30 days after the utility board has taken action. Makes the decisions of the utility management review board common law certiorari in the county where hearing was held.

FISCAL IMPACT OF ORIGINAL BILL

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (003800): Makes a non-substantive change in language of the original bill.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The Department of Commerce and Insurance and the Comptroller of the Treasury confirm the fiscal impact of this bill is not significant on state operations.

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- The Comptroller of the Treasury and the Tennessee Association of Utility Districts (TAUD) both confirm the fiscal impact of this bill is not significant on local government operations.
- No significant reduction in state or local revenue or expenditures as a result of eliminating penalty for a utility's failure to forward financial audit to the Comptroller of the Treasury.
- Hearings of utility management review board are conducted in the normal course of business.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumption for the bill as amended:

- The Department of Commerce and Insurance and the Comptroller of the Treasury report the impact to commerce of this bill is not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Jeffrey L. Spalding, Executive Director

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